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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 001524

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DEPT FOR SA/INS, LONDON FOR POL/GURNEY, NSC FOR MILLARD

E.O. 12958: DECL: 08/10/2013

TAGS: <u>PGOV PREL PTER NP GON</u> SUBJECT: NEPALI CONGRESS WILL NOT JOIN GOVERNMENT OR PEACE

TALKS, DESPITE INDIAN PRESSURE

REF: A. KATHMANDU 1496 ¶B. KATHMANDU 1486 ¶C. KATHMANDU 1507

Classified By: Ambassador Michael E. Malinowski for Reasons 1.5 (b) and

Summary ======

(C) On August 8, the Ambassador met with Nepali Congress (NC) General Secretary Girija Prasad Koirala, completing a week of meetings with party leaders. Koirala relayed his telephonic discussions with Maoist leaders still in New Delhi, over the past week. The NC will not join the formal Government-Maoist negotiations but will continue to meet informally with both groups. Koirala sees only one means to restore democracy, through the restoration of parliament. He resents Government of India pressure for him to compromise this position and join with the current government. summary.

Nepali Congress and Maoists in Dialogue

12. (C) The Ambassador met with Nepali Congress (NC) General Secretary Girija Prasad Koirala on August 8. At the

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beginning of the meeting, Koirala quickly reviewed his phone conversations of the previous week with Maoist leaders Pushpa Kamal Dahal (alias Prachanda) and Baburam Bhattarai, who were still in New Delhi. During the phone conversations, Koirala asked the Maoists not to return to fighting, as there was no future in it. If the Maoists return to the table, Koirala offered to help them to achieve "safe landing." In offered to help them to achieve "safe landing." In Koirala's assessment, the Maoists will not go back to terrorist violence and used brinkmanship only as a negotiating tactic to put pressure on the government.

13. (C) In terms of the Maoists' July 31 demand to the government that the political parties participate in the next round of negotiations, Koirala stated that the only logical means to do so was for the King to restore the lower house of parliament. In Koirala's opinion, parliament offered a legal forum to sanction any government and any settlement with the Maoists. Despite Koirala's vehemence, the Maoist leaders reportedly were non-committal, saying only that they were flexible. Koirala said he had demanded also that the Maoists give up their extortion, killing, and kidnapping, to which the Maoist leaders agreed. (Events described in ref A belie Maoist statements.) When the Maoist delegation (headed by either Bhattarai or Ram Bahadur Thapa (a.k.a., Badal) with one other, unidentified member) arrives in Kathmandu, Koirala expects to have a separate meeting with them. He reported that the NC continues to hold informal discussions with both the Maoists and government. Koirala stated further that they are informally providing the government the results of their discussions with the Maoists.

Compromise with the Government Not Possible

(C) Koirala stated that the NC would not join the goverment led by Surya Bahadur Thapa which does not even have the support of Thapa's own party, Koriala explained, and which Koirala exspects will soon collapse. There is no reason for the NC Party to go down with the Thapa government, he insisted. The Ambassador pressed him on the party's options if the King does not restore parliament. He replied that if an all-party government is formed (the approach favored by the NC's traditional opposition, the Communist Party of Nepal-United Marxist Leninist, led by Madhav Nepal), it would not have sufficient mandate to negotiate with the In Koirala's opinion, only a legal body like parliament could settle with the Maoists. (Note: The NC held the majority of seats in the last parliament. parliament was restored, it is likely that Koirala hopes to be selected as prime minister.) Koirala believes that the emergency powers given to the King in the Constitution (Article 127) could be used to reinstate parliament and argues that the party's position has the full support of the Constitution's authors and human rights advocates. Despite

this public position, Koirala affirmed that the party has worked informally with both the current Thapa and prior Lokhendra Bahadur Chand cabinets, as a means to factor the party's ideas into the negotiations.

15. (C) When the Ambassador asked what had happened with the five-party recommendation to the King that Mahdav Nepal serve as the consensus prime minister, Koirala said the deal is now void. He explained that the only place for an all-party government is after an agreement is reached with the Maoists. In that circumstance, the all-party government would serve as a caretaker administration in order to hold elections. The Ambassador asked Koirala's opinion on whether Krishna Prasad Bhattarai (septel) could serve as a consensus prime minister. Koirala disingenuously replied that he did not care who served as prime minister, as long as it was determined in an all-party process, but added that Bhattarai

Koirala Resents Indian Pressure

was physically unwell.

16. (C) Koirala stated that the Government of India (GoI) continues to put a great deal of pressure on his party to join the Thapa government. Koirala expressed his clear frustration that the GoI did not accept his party's position of support for restoring the parliament, and labeled the Indian approach in Nepal as bungling. The Ambassador asked Koirala for his opinion on third party negotiation assistance. Koirala relayed a conversation he had held with Tamrat Samuel, a representative of the U.N. Under Secretary for Political affairs who visited Kathmandu the last week of July. Koirala told Samuel that U.N. assistance would be appropriate at the time of Maoist demobilization, not before. The delay was required, Koirala argued, because the GoN and Nepal's "big brother" to the South, the GoI, did not want outsiders to intervene. After Koirala's open criticism of India, he reaffirmed his support for American assistance. He added that he had no objections to any of the USG's programs or activities in Nepal.

Comment

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17. (C) Koirala's diatribe against India is clearly linked to India's lack of enthusiasm for the NC position to restore parliament, and Koirala's open resentment against Indian pressure to join the government. The party's position is nothing new, and past agreements among the recognized political parties to form a united front against the King are showing cracks. This is the last in a week of meetings with all major political party heads (refs B and C). These meetings have revealed that even with the near collapse of the cease-fire on July 31 and the invitation for the parties to participate in the negotiations, the parties are nowhere near ready to compromise with the Palace. The political stalemate will reach its first anniversary on October 4. MALINOWSKI